

AUG 1949

TOP SECRET

1071

GENERAL

1. Soviet military move against Tito held unlikely--US Ambassador Kirk reports that foreign diplomatic observers in Moscow continue to discount the probability of direct Soviet action against Tito at this time despite the ominous tone of the latest Soviet note to Yugoslavia. According to Kirk, the US Embassy is in general agreement with the view of most observers that the Kremlin is counting on the liquidation of Tito as a consequence of the serious Yugoslav economic situation and a Soviet "war of nerves" accompanied by harassing measures short of hostilities.

US Embassy Belgrade reports, concerning current rumors of Soviet troop movements along the Yugoslav border, that although the Yugoslav Government is believed fully aware of such rumors, there is no evidence that new security measures are being taken.

(CIA Comment: CIA agrees that overt Soviet military action against Yugoslavia remains doubtful. CIA considers the rumors from Hungary and Rumania regarding Soviet troops movements along the Yugoslav border to be a part of the Soviet "war of nerves" rather than an indication of imminent military action by the USSR.)

2. British policy on Italian colonies--The British Foreign Office has informed US Embassy London that as a basis for settling the Italian colonies problem, the UK now favors: (a) independence for Libya within two to five years, with interim administration by present occupying powers; (b) incorporation into Ethiopia of all Eritrea except the western province which would go to the Sudan; and (c) either Italian trusteeship over Somaliland or, if this is not acceptable to the UN General Assembly, postponement of the question to the 1950 GA session. According to the

- 1 -

Document No. 043

NO CHANGE in Class. ☐

☐ DECLASSIFIED

Class. CHANGED TO: TS S (C)

DDA Memo, 4 Apr 77

Auth: DDA REG. 77/1767

Date: 13/2/79 By: ☐

State Dept. review completed

CONFIDENTIAL
TOP SECRET

TOP SECRET

Foreign Office, the UK could not accept trusteeship over Somaliland at this time because of possible repercussions on British-Italian relations. The UK also opposes an independent Eritrea on the grounds that it would be a weak state and open to undesirable influences. The UK believes that the question of unifying Cyrenaica and Tripolitania should be decided by the Libyans themselves after their independence has been granted and that meanwhile nothing should be done to prejudice eventual unification.

25X1

3. British and French views on future handling of Austrian talks--
US Representative Reber in London expresses the view that the Soviet deputy at the Austrian treaty negotiations is clearly not authorized to accept at this time any compromise on major outstanding issues but that the USSR expects further discussions at the ministerial level later. Reber indicates that the British, who favor the conclusion of a treaty by the 1 September deadline, believe this can be accomplished by accepting the Soviet terms on the German assets question. Reber explains that both the French and British wish to avoid a meeting of the Council of Foreign Ministers before settlement of the Austrian treaty because they fear that the USSR might insist upon discussing Germany as well as Austria.

25X1

4. US views on Southeast Asia union--In reply to the request of Philippine UN Representative Romulo for active US support of a non-military Southeast Asia union, the Department of State has reiterated that the US will view sympathetically any efforts by the peoples of Asia to cooperate in pursuit of common economic and political objectives but will avoid taking any steps at this time which could be misinterpreted as US maneuvering behind the scenes. The Department believes that the formation of a viable Asian association can come about only through the discovery of common purposes and mutual needs by the Asian nations themselves.

- 2 -

CONFIDENTIAL
TOP SECRET

TOP SECRET

25X1

EUROPE

5. UNITED KINGDOM: Pound devaluation unlikely before election--
French Foreign Minister Schuman has told US officials in Paris that he does not expect the British to devalue the pound before holding a general election and that Churchill has indicated he expects an election in October.

(CIA Comment: CIA believes that there is increasing reason to expect a British general election in October or November. However, Prime Minister Attlee will probably not make a decision concerning the election until after the September economic and financial conference in Washington.)

25X1 25X1

NEAR EAST-AFRICA

6. SYRIA: Skirmishes with pro-Zaim troops reported--

(a) the new Syrian Government's forces have been involved in several minor skirmishes with troops loyal to the late President Zaim; and (b) Kurdish elements have sworn vengeance for the execution of Prime Minister Barazi. US Legation Damascus comments that these reports, the accuracy of which cannot be confirmed at present, reflect the uneasy atmosphere now prevailing in Syria.

25X1

- 3 -

CONFIDENTIAL
TOP SECRET